

## **BILL ANALYSIS**

Senate Research Center  
87S10067 SCL-F

S.B. 5  
By: Hughes  
State Affairs  
7/8/2021  
As Filed

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

Social media platforms are the modern public square, and while almost all speech is protected from governmental censorship, private digital spaces that host public speech present a novel challenge. Although these platforms are privately owned, the nearly universal adoption of a few platforms has created a need for protection from speech selection by social media companies.

Under federal law, social media platforms are expressly protected from liability for certain content moderation decisions. However, under the same section of federal law, states are expressly allowed to regulate websites so long as those regulations are consistent with the federal law.

S.B. 5 includes a legislative finding that the biggest social media platforms are acting as common carriers of public speech. It then draws a critical distinction between censoring based on content versus censoring based on viewpoint. These sites need to moderate content like violent or overtly sexual posts. However, they cannot deny you participation based on your viewpoint, including your political preferences or religion.

S.B. 5 seeks to impose disclosure requirements and requirements to provide certain user complaint procedures to provide better transparency to users.

Under this bill, a social media platform of over 65 million monthly active users in the United States is prohibited from censoring a person or the content that person posts based on the person's viewpoint or on the viewpoint expressed in the post. If the site does block or restrict a user based on viewpoint, that user can file suit against the site to get back online and make the site pay their attorney's fees. Alternatively, the Office of the Attorney General can bring suit on behalf of a user or group of users.

As proposed, S.B. 5 amends current law relating to complaint procedures and disclosure requirements for, and to the censorship of users' expressions by, social media platforms.

### **RULEMAKING AUTHORITY**

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Provides that the legislature finds that social media platforms are akin to common carriers, are affected with a public interest, are central public forums for public debate, and have enjoyed governmental support in the United States.

SECTION 2. Amends Subtitle C, Title 5, Business & Commerce Code, by adding Chapter 120, as follows:

#### CHAPTER 120. SOCIAL MEDIA PLATFORMS

##### SUBCHAPTER A. GENERAL PROVISIONS

Sec. 120.001. DEFINITIONS. Defines "social media platform" and "user."

Sec. 120.002. APPLICABILITY OF CHAPTER. (a) Provides that this chapter applies only to a user who resides in this state, does business in this state, or shares or receives content on a social media platform in this state.

(b) Provides that this chapter applies only to a social media platform that functionally has more than 65 million active users in the United States in a calendar month.

Sec. 120.003. CONSTRUCTION OF CHAPTER. Prohibits this chapter from being construed to limit or expand intellectual property law.

#### SUBCHAPTER B. DISCLOSURE REQUIREMENTS

Sec. 120.051. PUBLIC DISCLOSURES. (a) Requires a social media platform, in accordance with this subchapter, to publicly disclose accurate information regarding its content management, data management, and business practices, including specific information regarding how the social media platform:

- (1) curates and targets content to users;
- (2) places and promotes content, services, and products, including its own content, services, and products;
- (3) moderates content;
- (4) uses search, ranking, or other algorithms or procedures that determine results on the platform; and
- (5) provides users' performance data on the use of the platform and its products and services.

(b) Requires that the disclosure required by Subsection (a) be sufficient to enable users to make an informed choice regarding the purchase of or use of access to or services from the platform.

(c) Requires a social media platform to publish the disclosure required by Subsection (a) on an Internet website that is easily accessible by the public.

Sec. 120.052. ACCEPTABLE USE POLICY. (a) Requires a social media platform to publish an acceptable use policy in a location that is easily accessible to a user.

(b) Requires that a social media platform's acceptable use policy:

- (1) reasonably inform users about the types of content allowed on the social media platform;
- (2) explain the steps the social media platform will take to ensure content complies with the policy;
- (3) explain the means by which users can notify the social media platform of content that potentially violates the acceptable use policy, illegal content, or illegal activity, which includes:
  - (A) subject to Subsection (c), making available a live company representative to take user complaints through a toll-free telephone number that users are authorized to call during regular business hours;

(B) an e-mail address or relevant complaint intake mechanism to handle user complaints; and

(C) a complaint system described by Subchapter C; and

(4) include publication of a quarterly transparency report outlining actions taken to enforce the policy.

(c) Requires that the live company representative described by Subsection (b)(3)(A) be available eight hours a day, five days a week.

Sec. 120.053. QUARTERLY TRANSPARENCY REPORT. (a) Requires a social media platform, as part of the social media platform's acceptable use policy under Section 120.052, to publish a quarterly transparency report that includes, with respect to the preceding three-month period:

(1) the total number of instances in which the social media platform was alerted to illegal content, illegal activity, or potentially policy-violating content by:

(A) a user complaint;

(B) an employee of or person contracting with the social media platform; or

(C) an internal automated detection tool;

(2) subject to Subsection (b), the number of instances in which the social media platform took action with respect to illegal content, illegal activity, or potentially policy-violating content known to the platform due to the nature of the content as illegal content, illegal activity, or potentially policy-violating content, including:

(A) content removal;

(B) content demonetization;

(C) content deprioritization;

(D) the addition of an assessment to content;

(E) account suspension;

(F) account removal; or

(G) any other action taken in accordance with the platform's acceptable use policy;

(3) the country of the user who provided the content for each instance described by Subdivision (2);

(4) the number of coordinated campaigns, if applicable;

(5) the number of instances in which a user appealed the decision to remove the user's potentially policy-violating content;

(6) the percentage of appeals described by Subdivision (5) that resulted in the restoration of content; and

(7) a description of each tool, practice, action, or technique used in enforcing the acceptable use policy.

(b) Requires that the information described by Subsection (a)(2) be categorized by:

(1) category of rule violated; and

(2) the source of the alert of illegal content, illegal activity, or potentially policy-violating content, including:

(A) a government;

(B) a user;

(C) an internal automated detection tool;

(D) coordination with other social media platforms; or

(E) persons employed by or contracting with the platform.

(c) Requires a social media platform to publish the information described by Subsection (a) with an open license, in a machine-readable and open format, and in a location that is easily accessible to users.

#### SUBCHAPTER C. COMPLAINT PROCEDURES

Sec. 120.101. COMPLAINT SYSTEM. Requires a social media platform to provide an easily accessible complaint system to enable a user to submit a complaint in good faith and keep track of the status of the complaint, including a complaint regarding illegal content or activity, or a decision made by the social media platform to remove content posted by the user.

Sec. 120.102. PROCESSING OF COMPLAINTS. Requires the social media platform, if a social media platform receives notice of illegal content or illegal activity on the social media platform, to make a good faith effort to evaluate the legality of the content or activity within 24 hours of receiving the notice, subject to reasonable exceptions based on concerns about the legitimacy of the notice.

Sec. 120.103. REMOVAL OF CONTENT; EXCEPTIONS. (a) Requires the social media platform, except as provided by Subsection (b), if a social media platform removes content based on a violation of the platform's acceptable use policy under Section 120.052, concurrently with the removal, to:

(1) notify the user who provided the content of the removal and explain why the content was removed;

(2) allow the user to appeal the decision to remove the content to the platform;

(3) provide written notice to the user who provided the content of the determination regarding an appeal requested under Subdivision (2), and in the case of a reversal of the social media platform's decision to remove the content, the reason for the reversal.

(b) Provides that a social media platform is not required to provide a user with notice or an opportunity to appeal under Subsection (a) if the social media platform is unable to contact the user after taking reasonable steps to make contact, or knows that the potentially policy-violating content relates to an ongoing law enforcement investigation.

Sec. 120.104. APPEAL PROCEDURES. Requires the social media platform, if a social media platform receives a user complaint that the social media platform removed content provided by the user from the platform that the user believes was not potentially policy-violating content, not later than the 14th day after the date the platform receives the complaint, to:

- (1) review the content;
- (2) determine whether the content adheres to the platform's acceptable use policy;
- (3) take appropriate steps based on the determination under Subdivision (2); and
- (4) notify the user regarding the determination made under Subdivision (2) and the steps taken under Subdivision (3).

#### SUBCHAPTER D. ENFORCEMENT

Sec. 120.151. ACTION BY ATTORNEY GENERAL. (a) Authorizes the attorney general of the State of Texas (attorney general) to bring an action against a social media platform to enjoin a violation of this chapter.

(b) Authorizes the attorney general, if an injunction is granted in an action brought under Subsection (a), to recover costs incurred in bringing the action, including reasonable attorney's fees and reasonable investigative costs.

SECTION 3. Amends Title 6, Civil Practice and Remedies Code, by adding Chapter 143A, as follows:

#### CHAPTER 143A. DISCOURSE ON SOCIAL MEDIA PLATFORMS

Sec. 143A.001. DEFINITIONS. Defines "censor," "expression," "receive," "social media platform," "unlawful expression," and "user."

Sec. 143A.002. CENSORSHIP PROHIBITED. (a) Prohibits a social media platform from censoring a user, a user's expression, or a user's ability to receive the expression of another person based on:

- (1) the viewpoint of the user or another person;
- (2) the viewpoint represented in the user's expression or another person's expression; or
- (3) a user's geographic location in this state or any part of this state.

(b) Provides that this section applies regardless of whether the viewpoint is expressed on the social media platform or elsewhere.

Sec. 143A.003. APPLICABILITY OF CHAPTER. (a) Provides that this chapter applies only to a user who resides in this state, does business in this state, or shares or receives expression in this state.

(b) Provides that this chapter applies only to expression that is shared or received in this state.

(c) Provides that this chapter applies only to a social media platform that functionally has more than 65 million active users in the United States in a calendar month.

(d) Provides that this chapter does not apply to censorship of an expression that is the subject of a referral or request from an organization whose purpose is to prevent the sexual exploitation of children and protect survivors of childhood sexual abuse from ongoing harassment.

(e) Provides that this chapter does not apply to censorship of an expression that directly incites criminal activity or consists of specific threats of violence targeted against a person or group because of their race, color, disability, religion, national origin or ancestry, age, sex, or status as a peace officer or judge.

Sec. 143A.004. LIMITATION ON EFFECT OF CHAPTER. Provides that this chapter does not subject a social media platform to damages or other legal remedies to the extent the social media platform is protected from those remedies under federal law.

Sec. 143A.005. CONSTRUCTION OF CHAPTER. (a) Provides that this chapter does not prohibit a social media platform from censoring expression that the social media platform is specifically authorized to censor by federal law, or censoring unlawful expression.

(b) Prohibits this chapter from being construed to prohibit or restrict a social media platform from authorizing or facilitating a user's ability to censor specific expression at the request of that user.

(c) Prohibits this chapter from being construed to limit or expand intellectual property law.

Sec. 143A.006. USER REMEDIES. (a) Authorizes a user to bring an action against a social media platform that violates this chapter with respect to the user.

(b) Provides that, if the user proves that the social media platform violated this chapter with respect to the user, the user is entitled to recover declaratory relief under Chapter 37 (Declaratory Judgments), including costs and reasonable and necessary attorney's fees under Section 37.009 (Costs), and injunctive relief.

(c) Requires the court, if a social media platform fails to promptly comply with a court order in an action brought under this section, to hold the social media platform in contempt and to use all lawful measures to secure immediate compliance with the order, including daily penalties sufficient to secure immediate compliance.

Sec. 143A.007. ACTION BY ATTORNEY GENERAL. (a) Authorizes any person to notify the attorney general of a violation or potential violation of this chapter by a social media platform.

(b) Authorizes the attorney general to bring an action to enjoin a violation or a potential violation of this chapter. Authorizes the attorney general, if the injunction is granted, to recover costs and reasonable attorney's fees incurred in bringing the action and reasonable investigative costs incurred in relation to the action.

SECTION 4. (a) Severability clause.

(b) Requires, if any provision of this Act is found by any court to be unconstitutionally vague, that the applications of that provision that do not present constitutional vagueness problems be severed and remain in force.

SECTION 5. (a) Provides that Chapter 143A, Civil Practice and Remedies Code, as added by this Act, applies only to an action taken on or after the effective date of this Act.

(b) Authorizes a person who was a user, as defined by Section 143A.001, Civil Practice and Remedies Code, as added by this Act, before the effective date of this Act to bring an action under Section 143A.006, Civil Practice and Remedies Code, as added by this Act, to remedy censorship of the user's ability to publish or receive expression that occurred before the effective date of this Act if the censorship continues after this Act takes effect and violates Chapter 143A, Civil Practice and Remedies Code, as added by this Act.

SECTION 6. Effective date: the 91st day after the last day of the legislative session.